



Weekly Management Report

March 2, 2018

1. **Synopsis** Art in Public Places
Meeting of February 5, 2018
Parks and Recreation Department
2. **Memo** Feasibility of Alternative Uses of the
DeBell Par 3 Golf Course
Parks and Recreation Department
3. **Minutes** Burbank Water and Power Board
Meeting of February 8, 2018
Burbank Water and Power
4. **Report** January 2018 Operating Results
Burbank Water and Power
5. **Notes** City Notes, March 2, 2018
City Manager

CITY OF BURBANK
PARKS AND RECREATION
ANNOTATED AGENDA/MEETING SUMMARY

Meeting: *Art in Public Places*

Date: *2-5-18*

Members Present: Carolyn Jackson, Dink O'Neal, Diane Eaton, Robert Brody, Gordon Haines, Carole Kubasak

Members Absent: Karen Bradfield

Staff Present: Judie Wilke – Parks and Recreation Director, Marisa Garcia – Assistant Parks and Recreation Director, Paula Ohan-Administrative Analyst

Council Liaison Present: *none*

Item Discussed	Summary	Direction or Action, if any
1 2300 EMPIRE – BURBANK EMPIRE CENTER	<p>Ms. Garcia reported that the property owner of the Burbank Empire Center temporarily removed their public artwork to protect it from construction. The property owner was unaware the removal of the public artwork required the Committee's approval. Upon being advised of the violation, the property owner has been working with staff to rectify the situation.</p> <p>The property owner is now seeking the Committee's formal approval of the temporary art removal before receiving a permit for Phase 2 of the Empire Center renovation project.</p> <p>Representatives on behalf of the property owner provided members with further detail on their actions. They also informed the members their desire to reinstall the artwork in a different location, on the same property. They advised that plans for the relocation were tentative and would be brought back to the Committee for more insight and</p>	<p>It was moved by Ms. Jackson, seconded by Mr. Brody and carried 5-1 (Mr. Haines voting no), to accept the removal as done as a way to protect the artwork and for the Empire Center to come back with a relocation proposal.</p>

		approval. The original artist was also present at the meeting for further comment. Chair Haines and members discussed extensively and raised several questions.	
2	MEETING CALENDAR	Ms. Ohan provided members with a 2018 Art in Public Places Committee meeting calendar. She advised that meetings will be held each month as noted on the calendar and members will be notified only if a meeting is canceled.	NONE
3	PRESENTATION OF MURALS AS A PUBLIC ART	Ms. Garcia introduced Randall Williams, Muralist, to discuss his expertise on murals for a potential Committee public art project per the Committee's request. Mr. Williams provided vast information on murals. Members briefly discussed and requested staff to agendize this item for the next scheduled meeting.	NONE
4	ART IN PUBLIC PLACES ORDINANCE AND GUIDELINES FOR ALTERATION OR RELOCATION OF INSTALLED ART	Ms. Garcia advised members that Staff is still working with the City Attorney's Office on the revisions to the Art in Public Places Ordinance. She informed that the item would be agendized for the next scheduled meeting. Ms. Garcia recommended members to review and formally approve the Final Draft of the Guidelines for the Repair, Relocation, Removal, or Replacement of Public Artwork.	It was moved by Mr. O'Neal, seconded by Mr. Haines and carried 5-0 (Ms. Jackson absent) to approve the Guidelines for the Repair, Relocation, Removal, or Replacement of Public Artwork.

CITY OF BURBANK
PARKS AND RECREATION
ANNOTATED AGENDA/MEETING SUMMARY

5	LINCOLN PARK PUBLIC ART GARDEN UPDATE	Ms. Ohan provided members with an update on the Lincoln Park Public Art Garden project. She advised that the fabrication of the three art pieces are at different locations with only one here locally. She informed that the artists may attend the next scheduled meeting to provide the Committee with an update. Ms. Ohan also distributed photos received by the artists on the fabrication.	NONE
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**City of Burbank
Park, Recreation and
Community Services Department**

Memorandum

Date: February 15, 2018

To: Ron E. Davis, City Manager

From: Judie Wilke, Park and Recreation Director *Judie Wilke*

Subject: **CITY MANAGER TRACKING LIST NO. 2009 - FEASIBILITY OF
ALTERNATIVE USES OF THE DEBELL PAR 3 GOLF COURSE**

At the City Council meeting of May 16, 2017 the Council requested that staff prepare options for the alternative uses of the DeBell Par 3. The purpose of this memorandum is to provide five options for consideration.

Opened in 1970, the DeBell Golf Par-3 course consists of nine short holes on seven acres of land, just south of the 18-hole regulation course and restaurant. The course currently includes a separate entrance, 40 standard parking spaces as well as 1 handicap designated space, and a check-in building which includes restrooms. In 2012, the DeBell Disc Golf Course was added creating a multi-use 9-hole course for both disc-golf and traditional golf players to cooperatively utilize.

The DeBell Par-3 and Disc Golf course provides a nice complement to the facility adding a golf course with appeal to beginners and other less-skilled or less-serious golfers, as well as a disc-golf course suitable for all skill levels. However, the course has faced numerous challenges, many of which have grown increasingly in recent years leading to the current operational and financial obstacles that the present operator S.S. Golf, Inc. faces. Some of the more considerable challenges include:

- A steady decline in rounds played leading to a lack of revenue to cover operational and maintenance costs.
 - o In 2006, the sport of golf began to experience a decline in interest and rounds being played across the nation. Numerous factors have attributed to this decline such as the pace of golf no longer being compatible with modern lifestyles, the financial impact of playing golf, golf courses are becoming longer and more difficult, and the lack of star power in professional golf has dwindled the interest of many.
- The layout is such that some of the holes are very close together, creating some areas that could be considered dangerous.
- The maintenance of the site is problematic in that the irrigation system on the par-3 course is not set up for golf, but rather set up more like a passive park.

- The soil on this site is much softer than other areas of the DeBell Golf Course and thus drainage is not as good. Furthermore, the site is not well defined for a golf course and is comprised of several different types of grass which also contributes to the irrigation problems.

In a grant deed conveying the land to the City of Burbank in July of 1954, it is stated that the land is to be used for "golf courses and facilities, clubhouse, park and recreation purposes, whereas the City is desirous of clarifying and extending these uses as hereinafter provided." Based upon this clause within the grant deed, staff is looking to address the existing challenges by exploring alternative uses, maximizing the site to better serve the community's needs.

While maintaining compliance with the grant deed, staff is presenting five viable options as alternative recreational uses of the land.

Dog Park

In recent years, feasibility studies have been conducted and a request for a dog park has been stated by the community. The Par-3 site is enough land to develop separate dog park space for small and large dogs. Additional upgrades would need to be made in regard to fencing, water stations, waste stations, benches and tables. Current City Planning Code does not specify parking requirements for such a project and would be determined by the Planning Board based upon comparable requirements. The fiscal impact for creating a dog park can vary based upon amenities, however development costs can range from \$400,000 to upwards of \$1,000,000. Based on location and dimensions of the facility, impact to the surrounding neighborhood can be minimized in the design process, while hours of operation can be set to maintain noise levels during daylight hours. Less day-to-day maintenance would be required in comparison to a regular neighborhood park, however long-term maintenance such as pest treatment, equipment repairs, and surfacing repairs due to wear and tear are among the most challenging aspects of dog park maintenance. Potential revenue does exist with the creation of a dog park in the form of pay-to-use, however further studies would need to be done to determine best practices for the operations of a dog park.

Passive Park

The creation of a passive park space would have a very low impact on the surrounding community and would require little to no re-grading of the land. Additionally, to help with maintenance costs, the passive park could be created as a "desert oasis" with features such as a walking path, a "peace park", art pieces, and consist of low-water and drought-proof plants. Although the maintenance and impact to the surrounding community are very low, no revenue potential exists in the creation of a passive park space.

Soccer Complex

Currently, the City of Burbank does not have any space solely dedicated to the sport of soccer. Local soccer organizations currently utilize various Burbank Unified School District locations as well as limited Burbank Parks and Recreation areas, on a rental basis. Although the need for a soccer complex exists in the community, significant site work would be needed to accommodate multiple fields. The average adult size soccer

field occupies roughly 1.75 acres (76,000 ft²) while areas of youth soccer fields can range from 1/10 of an acre to 1 acre. Based on the given seven acres of land (304,900 ft²), designs could include various options for quantity, and sizes of fields built while leaving sufficient space between fields and for spectators. Additional site work could include,

- Additional parking determined by the Planning Board based upon comparable requirements
- Full re-grading and leveling of the land
- Upgrades to the irrigation and drainage
- Laying of a playing surface
- Additional restrooms

In addition to the costs related to creation and regular maintenance of the fields, a soccer complex does pose significant impact to the surrounding community based upon number of users, noise, high volumes of traffic, and lights for nighttime usage. Potential revenue does exist with a rental process, however further studies would need to be conducted to determine if the costs of creation and maintenance would be offset.

Neighborhood Park

The creation of an additional mixed use park has many benefits to the community, however development and regular maintenance costs can be high. Based on community needs, a mixed use park can consist of a combination of any of the following;

- children's playground
- outdoor pickle ball courts, tennis courts, and/or basketball courts
- picnic spaces for rent
- walking paths
- outdoor photography studio
- lawn bowling courts
- fitness equipment

In addition to regular operation and maintenance costs such as utilities and repairs/replacement of equipment, there will be a need for development costs. These costs will also include the need for additional parking, upgrades to restroom facilities, re-grading and leveling, park amenities, and upgrades to irrigation. Potential revenue does exist through picnic reservations.

Miniature Golf Facility

The development of a miniature golf facility is another option for Council's consideration. Although there is currently no demand for such a facility, the addition of miniature golf welcomes a family friendly environment for patrons to leisurely partake in while tying into the nexus of golf and allowing a broader market. There are numerous needs and costs that come with such a project. Additional parking, leveling of the land, lighting, and restrooms are the most prevalent needs associated with such a project. This option has the potential of generating revenue for the City through fees, concessions, and potential rentals such as birthday parties; however operating and maintenance costs would be significant. Due to the amount of patrons, noise, traffic, and lights, a miniature golf course could pose a larger impact on the surrounding neighborhood during evening and weekend hours.

The five discussed options are some of the alternative uses that staff believes to have the greatest benefit to the community while minimizing the direct impact on the surrounding neighborhood, however other options do exist. The seven acre area allows adequate space for a wide variety of recreational options, however options become limited given the proximity of the area to a residential neighborhood along with needed upgrades to facilities and land. Current City Planning Code does not specify parking requirements for any of the above options, and therefore would need to be determined by the Planning Board. It should also be noted that with any potential facility and land upgrades, ADA accessibility would need to be accounted for as well.

Should there be a desire to consider one of the aforementioned options; the fiscal impact will vary depending on the scope of the option selected. It should be noted that there are no funds allocated towards any development of the Par-3 course. Additionally, all of the options will require ongoing funding for maintenance and operational costs.

Given the City's current economic challenges and in-light of the recent developments with the management of DeBell, it may be prudent to not take any action on this item at this time. Staff recommends that the City should first undergo a request for proposal process for the management and operation of the golf course, and include the Par-3 as a bid alternative.

**BURBANK WATER AND POWER BOARD
MINUTES OF MEETING
FEBRUARY 8, 2018**

Mr. Eskandar called the regular meeting of the Burbank Water and Power Board to order at 5:12 p.m. in the third floor Boardroom of the BWP Administration Building, 164 W. Magnolia Boulevard, Burbank, California.

Mr. Eskandar called for the Pledge of Allegiance to the Flag.

ROLL CALL

Board Present: Mr. Eskandar, Mr. Smith, Mr. Ford, Mr. Herman, Ms. LaCamera, Ms. Obal, Mr. Olson

Board Absent: None

Staff Present: Mr. Somoano, General Manager, BWP; Mr. Liu, Chief Financial Officer; Mr. Chwang, Sr. Asst. City Attorney; Mr. Ancheta, Assistant General Manager, Electrical; Mr. Bleveans, Assistant General Manager, Power Supply; Mr. Compton, Assistant General Manager, Chief Technology Officer; Mr. Mace, Assistant General Manager, Water; Mr. Adkins, Financial Accounting Manager/BWP; Mr. Swe, Financial Analyst; Ms. Waloejo, Financial Planning and Risk Manager; Mr. Thompson, Manager Water Engineering/Planning; Ms. Kaczmarek, Manager, Customer Service Operations; Mr. Peck, Manager, Customer Service Operations; Mr. Hernandez, Customer Service Supervisor; Ms. O'Brien, Customer Service Supervisor; Mr. Flores, Marketing Associate; Mr. Kulkarni, Marketing Associate; Mr. Aquino, Administrative Officer; Ms. Kramer, Recording Secretary

INTRODUCTION OF ADDITIONAL AGENDA ITEMS

None requested.

ORAL COMMUNICATIONS

Mr. Eskandar called for oral communications at this time. No one asked to speak.

CONSENT CALENDAR

MINUTES

It was moved by Mr. Smith, seconded by Mr. Herman, and carried 7-0 to approve the meeting minutes of the regular meeting of January 18, 2018.

REPORTS TO THE BOARD

BWP OPERATIONS AND FINANCIAL REPORTS

Mr. Liu presented BWP's financial update and operating report for the month of December 2017.

Mr. Liu and Mr. Somoano responded to Board Member questions.

This was an information item only. No action was taken.

PROPOSED FISCAL YEAR 2018-19 BUDGET

Mr. Somoano gave a presentation on the proposed fiscal year 2018-19 budget. Mr. Somoano presented highlights, budget drivers, and reserve levels for both the Electric and Water Funds. Staff recommended no increase to the Electric Fund and to implement a 4.9% rate increase to the Water Fund.

Mr. Somoano, Mr. Liu, Mr. Bleveans, Mr. Ancheta, Mr. Hernandez, Mr. Kulkarni, Mr. Mace, and Ms. O'Brien responded to Board Member questions and comments.

This was an information item only. No action was taken.

The Chair called for a brief recess at 7:45 pm.

The Chair called the Board Meeting back to order at 8:00 pm.

SUSTAINABLE BURBANK COMMISSION REPORT

Ms. LaCamera attended the February 5 Sustainable Burbank Commission meeting in place of Ms. Obal. At the meeting one of the ad hoc committees discussed developing a scorecard to rate the success of Burbank at implementing sustainability measures and possibly using the STARS System as an evaluation tool for Burbank. Another ad hoc committee discussed bringing a request to the City Council to ban the use of Styrofoam.

Ms. LaCamera agreed to take Ms. Obal's place as the liaison to the Sustainable Burbank Commission until June 2018.

The Board proposed to agendize the topic of the Board liaison to the Sustainable Burbank Commission at a future meeting so they may discuss more in-depth.

INFORMATION FROM STAFF

LEGISLATIVE UPDATE

Ms. Titus was not present to give a Legislative Update. A legislative handout was distributed.

WATER SUPPLY UPDATE

Mr. Mace reviewed State Water Project allocations. Indicators show that it will be a fairly dry year, but storage is plentiful. As the weather changes over time, it may affect projections.

POWER SUPPLY UPDATE

Mr. Bleveans provided an update on Power Supply. Mr. Bleveans described various aspects of power supply in order to provide a context for the Board's review of BWP's upcoming Integrated Resource Plan. Mr. Bleveans described the basics of load, and the effects of renewable energy (principally solar) on power system operations. In this connection, he discussed the "duck curve" which BWP works to manage.

Mr. Bleveans responded to Board Member questions.

COMMENTS AND REQUESTS FROM BOARD MEMBERS

Mr. Herman discussed residential time of use rate design. He would like to see a comprehensive plan that integrates innovative technology. He hopes the proposed plan will be appealing to residents, and something they consider to be valuable.

Mr. Eskandar proposed moving the March Board meeting from March 1 to March 8. There were no objections from any Board Members.

ADJOURNMENT

The meeting was adjourned at 9:48 pm. The next scheduled Board meeting is March 8, 2018 and will be held in the third floor Boardroom at Burbank Water and Power.

Lyndsey Kramer
Recording Secretary

Jorge Somoano
Secretary to the Board

Philippe Eskandar, Chair, BWP Board



7A.

CITY OF BURBANK BURBANK WATER AND POWER STAFF REPORT

DATE: March 8, 2018
TO: BWP Board
FROM: Jorge Somoano, General Manager, BWP
SUBJECT: January 2018 Operating Results

SAFETY

Burbank Water and Power had one new reportable lost time injury during January 2018.

Water Results of Operations

For the month of January, Potable water usage was 16% (54 million gallons) higher than budgeted due to warmer than normal temperatures and lower than average rainfall in the month of January. Potable Water Revenues were \$59,000 better than budgeted. Recycled water usage was at budget. Recycled Water Revenues were \$5,000 worse than budgeted. January Water Supply Expenses were \$41,000 higher than budgeted, driven by the higher demand. January's Gross Margin was \$18,000 better than budgeted. Net Income was -\$278,000, which was \$18,000 better than budgeted.

January fiscal-year-to-date (FYTD) potable water usage was 6% (178 million gallons) higher than budgeted and FYTD January Potable Water Revenues were correspondingly \$294,000 higher than budgeted. FYTD recycled usage was 4% (25 million gallons) better than budgeted and Recycled Water Revenues were correspondingly \$25,000 better than budgeted. FYTD Water Supply Expenses were \$364,000 higher than budgeted, driven by higher demand. The FYTD January Gross Margin was \$51,000 lower than budgeted. Operating Expenses were \$977,000 better than budgeted. Net Income was \$2,482,000, which was \$882,000 better than budgeted.

Electric Results of Operations

For the month of January, electric loads were 7% lower than budgeted due to conservation. Retail Sales were correspondingly \$1,058,000 worse than budgeted. January Power Supply Expenses were \$388,000 better than budgeted primarily due to prior period true-up credit and lower usage of biomethane gas than planned and savings from biomethane restructuring, and is partially offset by higher than planned transmission expenses. January's wholesale margin was \$153,000 better than budgeted. January's Gross Margin was \$517,000 worse than budgeted. Net Income was -\$285,000 which was \$458,000 worse than budgeted.

FYTD January electric loads were 1% lower than budgeted due to conservation, offset by warmer than normal temperatures. Retail Sales were correspondingly \$784,000 better than budgeted. FYTD Power Supply Expenses were \$7,638,000 better than budgeted primarily due to prior period true-up credit, lower usage of biomethane gas than planned and savings from biomethane restructuring, and lower than planned O&M expenses, and

is partially offset by higher than planned transmission expenses. FYTD wholesale margin was \$339,000 better than budgeted. FYTD Gross Margin was \$8,125,000 better than budgeted. January FYTD Operating Expenses were \$1,781,000 better than budgeted. Net Income was \$18,025,000 which was \$10,354,000 better than budgeted.

WATER DIVISION

State Water Projects and Burbank Operating Unit (BOU) Water Production

The California Water Fix is nearing a go/no go decision by the end of 2018. The MWD Board voted on October 10, 2017 to support MWD's 26% of the project. All State Water Project Contractors south of the Delta have voted to support their share of the California Water Fix as of October 18, 2017. The West Lands Water District in the Federal Central Valley Project, north of the Delta, voted no on their 24% share of the project. Discussions continue on size and funding and how to move forward with the California Water Fix project without West Lands participation. A decision will be made in the next three months on the size (diameter) and number of tunnels (1 or 2) for the project to be "Phased" and go forward with revised cost estimates and flow capacity, 6,000 cfs. This is mostly in response to West Lands vote to not participate in the project. The design and environmental work for the project development anticipated possible changes and covered these contingencies. MWD is analyzing the possibility of assuming a larger portion of the original project. A revised project proposal will require approval votes from participating agencies.

Governor Brown issued Executive Order B-40-17, on April 7, 2017, recognizing that the drought was over in California, with the exception of 4 counties in the Central Valley that rely on depleted groundwater basins. The Executive Order does state that the Orders and Provisions in "Making Water Conservation a California Way of Life" remain in full force and effect. This includes: "The Department of Water Resources (Department) shall continue work with the Water Board to develop standards that urban water suppliers will use to set new urban water use standards that urban water suppliers will use to set new urban water use efficiency targets as directed by Executive Order B-37-16. Upon enactment of legislation, the Water Board shall adopt urban water use efficiency standards that include indoor use, outdoor use and leaks as well as performance measures for commercial, industrial and institutional water use. Some language is also directed at conserving recycled water which is not in short supply. The Department shall provide technical assistance and urban landscape area data to urban water suppliers for determining efficient outdoor use. These water use standards must be in place by May 20, 2021, but the State Water Board may set interim standards to ensure progress before the long term standards are adopted in 2021.

This promises a significant intrusion by the State into detailed water use decisions in Burbank, as well as any other water purveyor, beyond simple efficient volumetric use of water. BWP is paying close attention and working with regional and industry groups to comment on, and influence, the development of these standards. As noted above, these actions will require enabling legislation.

Legislation is also moving forward for the state to fund operation and maintenance of water facilities in disadvantaged communities as well as in separate legislation to provide

low income rate assistance. Both of these efforts are moving forward under the auspices of water as a basic human right as defined by the California Legislature. One means of paying for these initiatives is proposed as fees attached to individual consumers water bills as opposed to funding through the State General Fund. This approach is highly contested and is going into the current legislative session.

The following table shows Burbank water use in terms of per capita daily water use in gallons per person per day. It begins in 2009 with the requirement of a 20% reduction per capita in baseline use by 2020. It shows actual per capita water use reduction as well as the Governor's Goal in the Executive Order requiring a 25% reduction although the percentage reduction in the table is measured against the 2009 baseline. Burbank met the 25% reduction in the Executive Order.

Year	20% by 2020 (Baseline)	20% by 2020 (Goal)	2012 (Actual)	2014 (Actual)	2015 (Actual)	2016 (Gov.'s goal)	2016 (Actual)
GPCD	193	155	149	162	139	125	117
Reduction of Baseline %	0%	20%	29%	16%	28%	35%	39%

Burbank consistently met the reduction requirements by utilizing the appropriate stages of the Sustainable Water Use Ordinance. Initially it was Stage III that limited watering to two days a week in the summer and one day a week in winter. With experience and some relaxation of the State mandate, Burbank currently limits outdoor watering to three days a week year round. This is now embodied in the Burbank Sustainable Water Use Ordinance in Stage I and is the "New Normal" in Burbank. The effect of the three day a week watering limitation will continue to be monitored. Given potential future actions by the State, Burbank appears well positioned to meet the future requirements. Water use in Burbank in January 2018 was 120.1 GPCD with 123.4 GPCD for the Fiscal Year ending on June 30. Calendar year 2017 water use was 133.5 GPCD, up 8.5 GPCD from 2016. Besides conservation measures, Burbank made significant strides in converting major irrigation and building cooling towers to recycled water which is 100% conservation that will continue year after year. BWP continues to work with customers to utilize recycled water where practical, but recognizes that the largest users have been converted.

The State Water Project (SWP) allocation for 2017 was 85%. A significant event impacting the SWP is the erosion and undermining of the spillway at the Oroville Dam discovered on February 7, 2017. It included severe damage to the main spillway and the emergency overflow spillway. The State has spent close to \$850 million for emergency and permanent repairs that will take two years to complete. MWD added excess water supply of 1.3 million acre-feet beyond its 2017 demand to its storage facilities. The available water exceeded MWD's capacity to place water into its storage facilities so MWD created a Cyclic Storage Program to allow Member Agencies to store water in their groundwater basins and then pay for the water when they take it. At the end of December 2017, Burbank had spread a total of 5,674 acre-feet in the MWD Cyclic Storage account for future purchase as well as the budgeted annual purchase of untreated volumetric water of 7,200 acre feet.

The initial allocation for the 2018 State Water Project (SWP) is 15% as of December 1, 2017. This will change as the winter storm season progresses and the precipitation is measured. A SWP allocation of 45% with moderate demand from member agencies will not require use of water that MWD has in storage. Construction repair work on the Oroville Dam Spillway has halted for the winter. In its current state the spillway is rated for 100,000 cfs and the lake level is low and may not require use of the spillway before late spring. The relatively low level of the lake is one factor in a lower initial SWP allocation.

The BOU was 91.62% available for service in January 2018. One Liquid Phase Granulated Activated Carbon Filter was offline for carbon change during the first twelve days of the month and another went offline for the last seven days of the month. All wells were available for service. BWP is maximizing BOU production by optimizing the blend with MWD treated water although lower ground water levels are impacting the operational efficiency of the BOU wells. Testing of drawing water from lower levels in the aquifer, by deflating the "packers" in the lower portion of the well casings requires discussions with the EPA, which are on-going. We are currently awaiting the EPA reply to the Technical Memorandum which clarifies the engineering calculation in support of deflating the packers.

Availability	Production	Average Flow Rate (gallons per minute)
91.62%	71.91%	6,472

Project Updates:

A debris flow on Country Club Drive on January 9, 2018 damaged some water facilities and required crew response for three days. The upper pressure zone (11 homes) were under "boil water" restrictions until January 13 when potable status for the zone was restored. Clean up at many additional BWP sites was required and has had an impact on the BWP construction progress and schedule.

Work began on installing 2,300 l.f. of 8-inch ductile iron water main in Scott road from Tulare Ave. to Glenoaks Blvd. Completion is scheduled for mid-March 2018.

Work was completed in January on installing 475 l.f. of 8-inch ductile iron water main in Orchard drive from Winona Avenue to Glenoaks Blvd.

Work began in January and was completed in February on installing 375 l.f. of 6-inch ductile iron water main in Bob Hope Drive from Riverside Drive to the end of the cul-de-sac.

Seismic valve actuators are currently being installed at Reservoirs #1, #4 and #5; valve control software was installed in late July 2017 which will enable BWP to program the closing positions of the valve actuators.

On April 14, 2016 a new Waste Discharge Requirements and Water Recycling Requirements Permit was granted to the City of Burbank by the Regional Water Quality Control Board. This brought the City into full compliance by recognizing the use of RW in cooling towers. A Waste Water Change Petition was submitted to the State Water Resources Control Board (SWRCB), Division of Water Rights. The purpose of the petition is to amend Burbank's water rights to our RW account for our recent expansion of use and for our plans of additional use 10 years into the future. The petition was posted by the State Board on March 29, 2017. Review of the water rights petition is underway at the State Water Resources Control Board, Division of Water Rights. The City of Los Angeles filed a protest on the Waste Water Change Petition in April. BWP is proceeding with answering the protest and securing approval. This process will take several months and will go to the end of the June 2018. On September 12, 2017 City Council approved a Negative Declaration of Environmental Impact for the Waste Water Change Petition. The response to the L.A. protest was filed on September 25, 2017. BWP made a presentation to the SWRCB Board on November 8, 2017 regarding Water Use and Reuse in Burbank with reference to currently unused recycled water to the Los Angeles River. SWRCB issued a letter on February 2, 2018 giving Los Angeles until March 5, 2018 to provide "substantive" information to support their protest or it would be cancelled. Submittals by Los Angeles to this point are not compelling or substantive.

The irrigation system at The Pinnacle was converted in January. Four HVAC cooling tower projects are ready for conversion and awaiting inspection by the County Health Dept. These should go forward with the resolution of the L.A. protest to out change use petition. Pending conversions to recycled water in 2018 include: Nickelodeon, Talaria, and The Pinnacle. Another site that is expected to be converted to recycled water in 2018 is the ornamental fountain at the Valley Pumping Plant.

Below are pictures of the entrance to the hiking trails above Stough Nature Center which is also the access road to Stough No. 2 recycled water storage tank.





Access road to Stough No. 2 recycled water storage tank



Gate and Access Road to Stough No 1 recycled water storage tank

In upper Country Club Drive, power was lost to Sunset Canyon pump station when a power pole was sheared off during the mud/debris flow.



While the power was out, a portable pump was used to fill the two storage tanks in the pressure zone. Water is pumped out of the fire hydrant on the right and into the fire hydrant on the left. The yellow trailer is the portable pump.

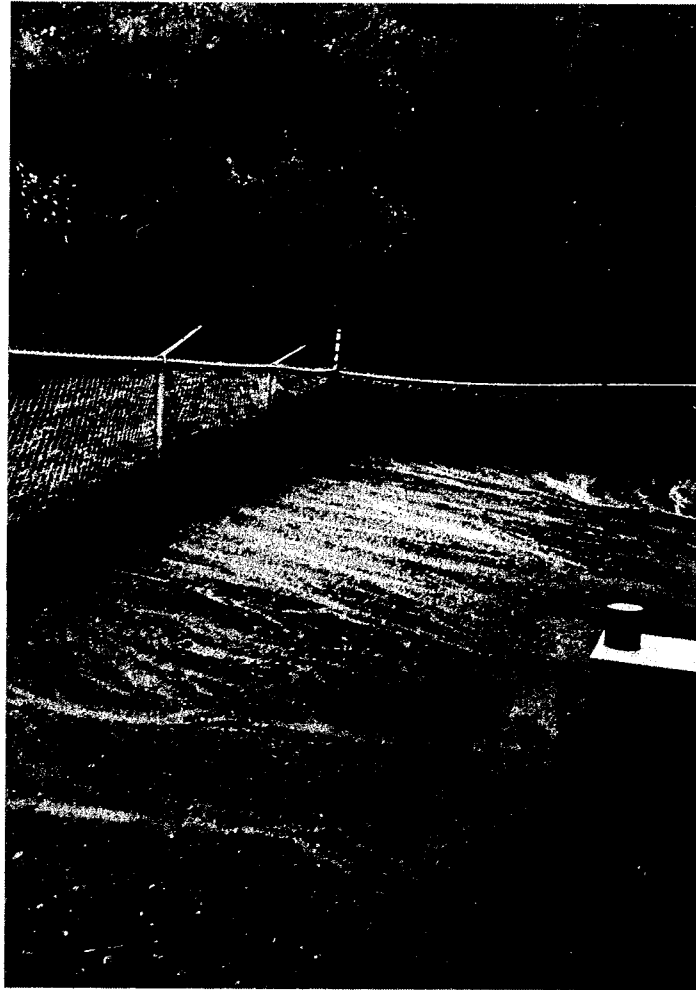




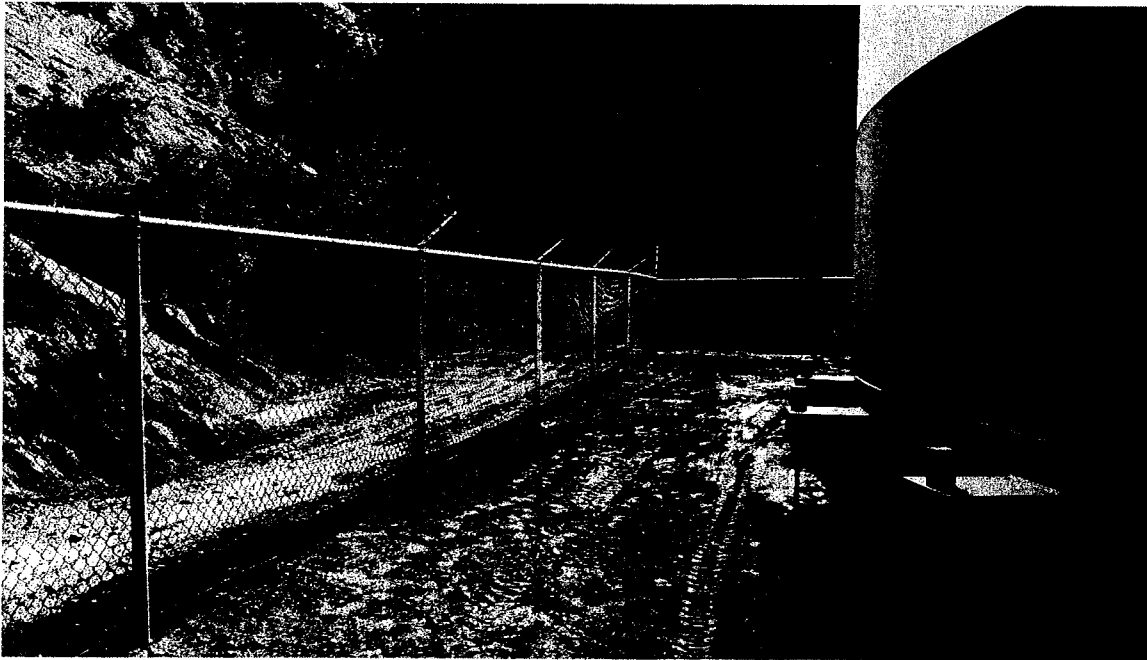
Brace Canyon tank site after January 9th rain



Brace Canyon tank site after cleanup



Brace Canyon tank site after January 9th rain



Brace Canyon tank site after cleanup

Pictured below is the De Bell Tank No. 1 before and after the January 9 rain.



DISTRIBUTION

ELECTRIC RELIABILITY

In January 2018, BWP experienced no sustained feeder outages. In the past twelve months, automatic reclosing has reduced customer outage time by approximately 750,846 customer minutes.

Reliability Measurement	February 2016- January 2017	February 2017- January 2018
Average Outages Per Year (SAIFI)	0.2308	0.4342
Average Outage Duration (CAIDI)	13 minutes	17.34 minutes
Average Service Availability	99.999%	99.999%
Average Momentary Outages Per Year (MAIFI)	0.0718	0.1793
No. of Sustained Feeder Outages	5	10
No. of Sustained Outages by Mylar Balloons	0	2
No. of Sustained Outages by Animals	1	1
No. of Sustained Outages by Palm Fronds	4	2

PROJECT UPDATES

Ontario Substation

Phase 1 of this project is underway and includes installation of two transformer banks, two 12 kV switchgear lineups and two capacitor banks plus substructure work for Phase 2. In addition, a new underground distribution system carrying two underground feeders will be built on Winona Ave as well as installation of two 69 kV transmission lines connected to Lincoln and Valley substations.

In January, excavation and foundation plans were approved and permits received from Building Division. Shoring was installed and a portion of the site was excavated down to 13 feet below ground in order to prepare for an electrical basement where incoming 69kV subtransmission cables connect to new 69kV Gas Insulated Switchgear (GIS). BWP crews relocated existing overhead transmission and fiber for the removal of two poles on Ontario Street to allow for construction of the substation and underground circuits that will exit in the vicinity of the existing poles.



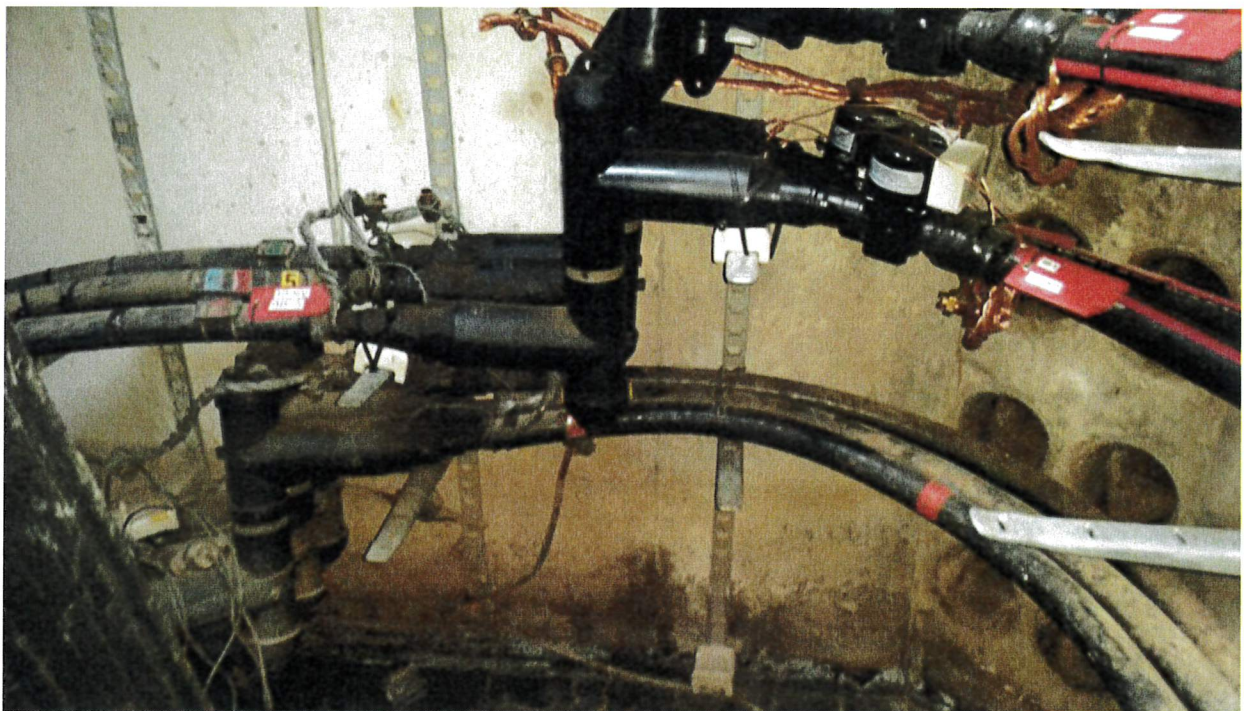
Ontario Substation – Site excavation and installation of shoring



BWP Crews preparing for relocation of existing overhead wires

New Underground Product: H-Bus

BWP recently standardized on a new underground cable product that will reduce the costs and amount of space required for connecting underground cable in manholes. The “H-Bus” was piloted as an alternative solution to a product BWP traditionally used called the “T-Body”. Both products have the same function, which is to connect power cables together through a 3-way or 4-way junction. While a 4-way “T-Body” can occupy the space of an entire manhole wall, the “H-Bus” occupies a smaller footprint and can be constructed in less time. Additionally, the “H-Bus” uses less components, which translates to lower material cost. Considering these labor and material cost savings and space efficiency gains, BWP will continue to use the “H-Bus” as we expand our underground distribution system. Below are photos showing the amount of space required for a “T-Body” configuration versus an “H-Bus” configuration.



“T-Body” Configuration



New "H-Bus" Configuration

STREET LIGHTING

LED Replacement Program

In accordance with the 2014 Street Lighting Master Plan, BWP began replacing 100W and 250W HPS streetlight luminaires with LED luminaires. Replacement is carried out on a maintenance basis and LEDs are installed daily as the HPS luminaires burn out. Currently, the CREE XSPR LED 42W has been selected to replace the 100W HPS luminaire and the CREE XSP2 LED 101W replaces the 250W HPS luminaire. To date, 42.10% of the total streetlight luminaires have been converted to LEDs which translates to an annualized energy savings of 2089 MWh or a 22.54% reduction in energy consumption.

CUSTOMER SERVICE

Electric Vehicle (EV) Charging Program

28 public EV charging stations are in service, including a DC Fast Charger and 16 curbside stations. As of July 1, 2016, Time of Use (TOU) pricing for public EV charging is 17.81 cents per kilowatt hour (kWh) for Level 1 and Level 2 charging during off-peak hours. Between the hours of 4pm and 7pm during the summer, pricing increases to 31.17 cents per kWh. For the DC Fast Charger, the charging rate is 28.90 cents per kWh, increasing to 50.58 cents per kWh during peak hours. Staff continues to monitor usage and maintenance issues.

Month of usage	Usage in kWh	Gross Revenue	GHG reduced in kg	kWh/ Station/ Day	% Peak Sessions	Parking Occupancy	Charging Occupancy
Jan 2018	24,790	\$4,927	10,412	29	27%	30%	24%
Dec 2017	24,402	\$4,757	10,249	28	21%	30%	24%
Nov 2017	21,410	\$3,996	8,992	26	21%	29%	24%
Oct 2017	23,000	\$4,828	9,660	27	20%	32%	27%
Sept 2017	20,755	\$4,307	8,717	25	20%	31%	25%
Aug 2017	22,207	\$4,669	9,327	26	23%	31%	26%
Jul 2017	22,981	\$4,845	9,652	27	22%	30%	25%
Jun 2017	21,456	\$4,513	9,011	26	23%	31%	27%
May 2017	21,693	\$4,063	9,111	25	19%	29%	24%
Apr 2017	18,699	\$3,461	7,854	22	20%	26%	21%
Mar 2017	20,151	\$3,777	8,464	23	20%	27%	22%
Feb 2017	17,697	\$3,358	7,433	23	21%	24%	20%
Jan 2017	19,499	\$3,611	8,189	23	20%	26%	22%
Dec 2016	17,472	\$3,130	7,338	20	19%	24%	20%
Nov 2016	17,230	\$3,334	7,521	21	18%	25%	20%
Oct 2016	17,976	\$3,705	7,550	21	18%	24%	19%
Sep 2016	17,810	\$3,811	7,480	21	20%	24%	19%
Aug 2016	19,702	\$4,257	8,275	23	19%	25%	20%
Jul 2016	17,235	\$3,506	7,239	20	19%	24%	19%
Jun 2016	17,278	\$3,469	7,257	21	19%	24%	19%
May 2016*	17,839	\$3,179	7,492	21	N/A	N/A	N/A
Apr 2016	15,212	\$2,622	6,389	19	N/A	N/A	N/A
Mar 2016	15,717	\$2,712	6,601	19	N/A	N/A	N/A
Feb 2016	13,595	\$2,361	5,742	17	N/A	N/A	N/A
Jan 2016	13,011	\$2,508	5,459	16	N/A	N/A	N/A

* In May 2016, the number of public chargers increased from 27 to 28.

Rooftop Solar

Not so many years ago, residential rooftop solar was priced beyond the reach of most households. Falling prices, rebates and tax incentives, and no-money-down leasing arrangements have created a new solar reality for many Californians. The following table will be updated monthly to report on Burbank's rooftop solar impact.

Month	Number of Solar Systems Installed This Month	Number of Solar Systems Installed FYTD	Total Solar Systems in Burbank	Total Solar Kilowatts
January 2018	4	65	664	6,808
December 2017	9	61	660	6,777
November 2017	11	52	651	6,713
October 2017	13	41	640	6,630
September 2017	8	28	627	6,446
August 2017	15	20	619	6,405
July 2017*	5	5	604	6,302
June 2017	12	133	599	6,277
May 2017	8	121	587	5,601
April 2017	7	113	579	5,561
March 2017	8	106	572	5,529
February 2017	8	98	564	5,491
January 2017	21	90	556	5,379
December 2016	12	69	535	5,276
November 2016	8	57	523	5,219
October 2016	10	49	515	5,188
September 2016	18	39	505	5,137
August 2016	10	21	487	4,828
July 2016*	11	11	477	4,643
June 2016	7	173	466	4,436
May 2016	16	166	459	4,321
April 2016	5	150	443	4,178
March 2016	14	145	438	4,151
February 2016	20	131	424	4,053
January 2016	27	111	404	3,962
December 2015	16	84	377	3,829
November 2015	18	68	361	3,741
October 2015	14	50	343	3,667

* Start of new fiscal year.

TECHNOLOGY

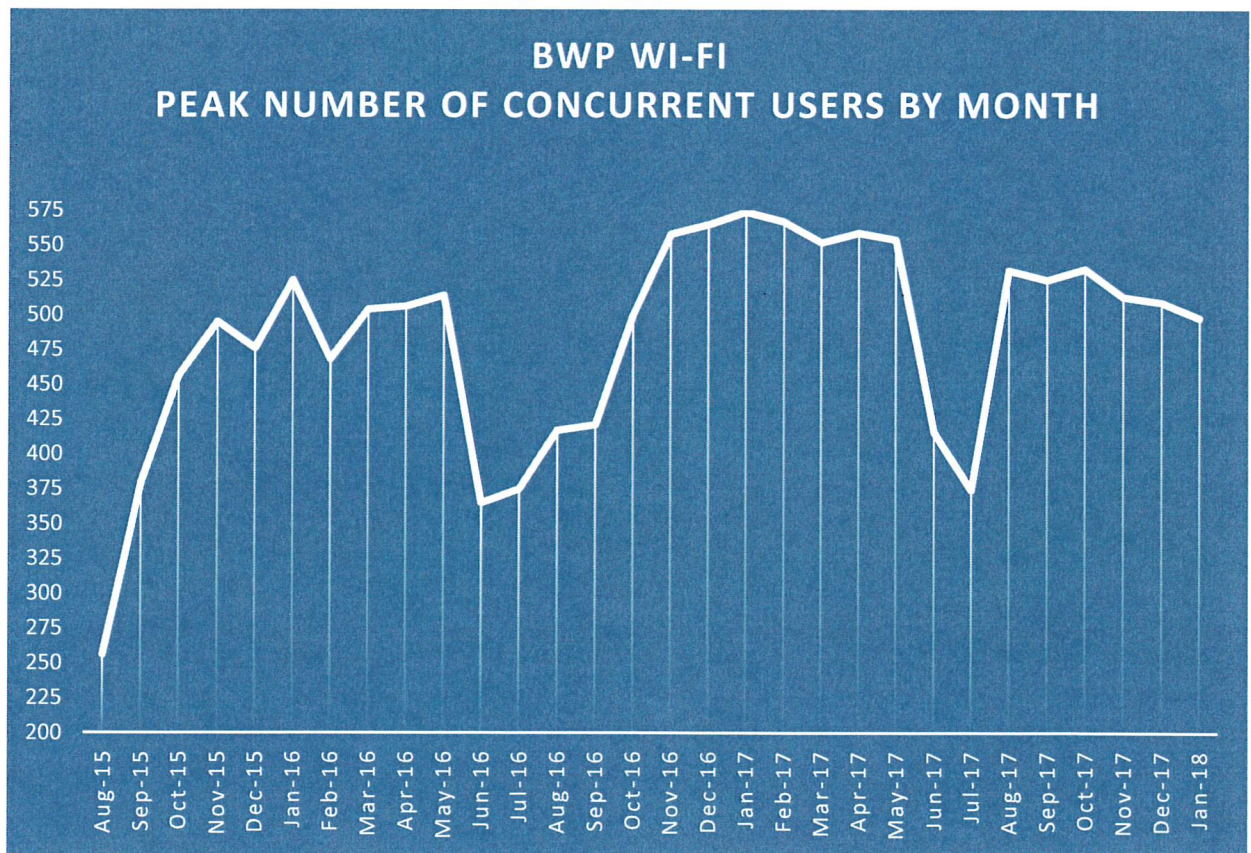
Broadband Services (ONE Burbank)

	January 2018 New Orders	Revenues for January 2018	FYTD 2017-18 Revenues	FYTD Budget
Lit	1	\$104,141	\$748,467	\$910,000
Dark	1	\$194,365	\$1,378,900	\$1,365,000
Total	2	\$298,506	\$2,127,367	\$2,275,000

Values in the table above represent invoiced amounts for monthly recurring revenues only. Actual booked revenues through January 2018 are \$2,137,271.

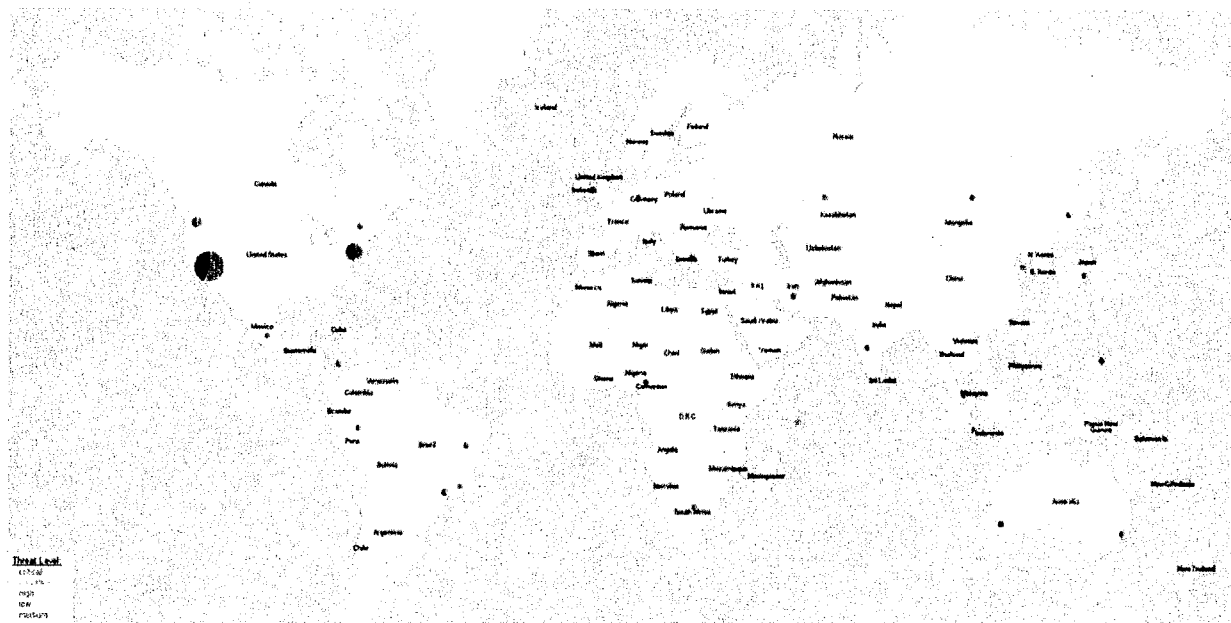
BWP WiFi

On August 17, 2015, BWP WiFi launched throughout the City of Burbank as a free citywide wireless community broadband service.

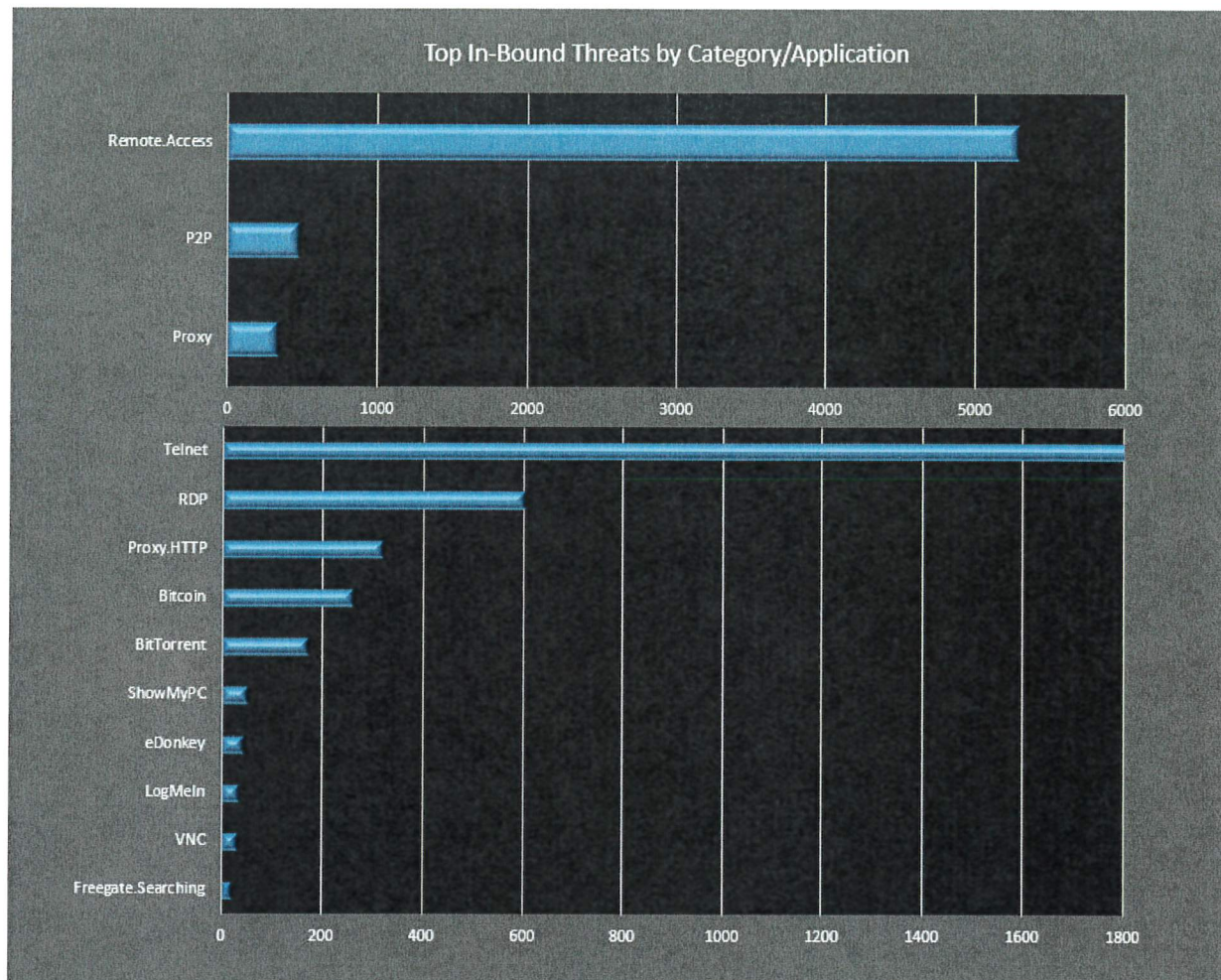


Cyber Security Update – January 2018

The BWP cyber security risk factor is 2.4 out of 5.0 for the month of January. Operational Technology successfully prevented over 112 million cyber security threats of which over 52% were elevated or critical.



In-bound cyber threats by source location



Top In-bound cyber threats by category/application

RISK FACTOR



RISK FACTOR: The risk levels (1=lowest to 5=highest) indicate the application's relative security risk based on a variety of factors and criteria such as whether the application can share files, is prone to misuse, or tries to evade firewalls.

POWER SUPPLY

Project Updates:

Power Resources

Los Angeles Department of Water and Power Open Access Transmission Tariff Update

BWP, in conjunction with Glendale Water and Power (GWP), actively participated in Los Angeles Department of Water and Power's (LADWP's) 2017 Open Access Transmission Tariff (OATT) public stakeholder process. The public comment period, in which BWP and GWP participated, ended on April 14, 2017. BWP's analysis indicates that LADWP has made measurable strides to conform its proposed OATT to the Federal Energy Regulatory Commission's pro-forma OATT, but significant concerns have been raised and remain. The LADWP Board of Commissioners approved the OATT on June 6, 2017, and LA Council approved it on June 30, 2017. The 2017 OATT rates will affect costs for services which Burbank purchases through the Balancing Authority Area Services Agreement, which began September 1, 2017. Staff is currently evaluating the new OATT, its impacts, and what next steps should be taken.

Integrated Resource Planning

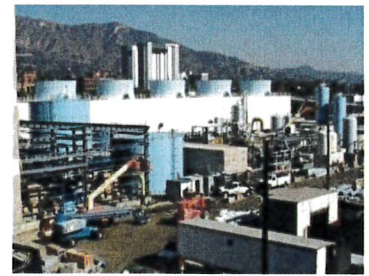
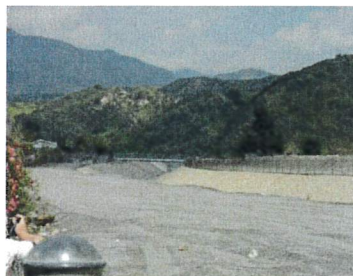
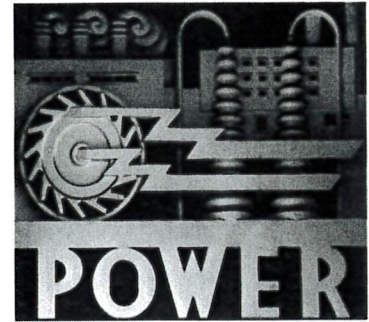
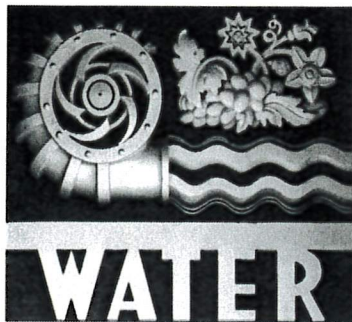
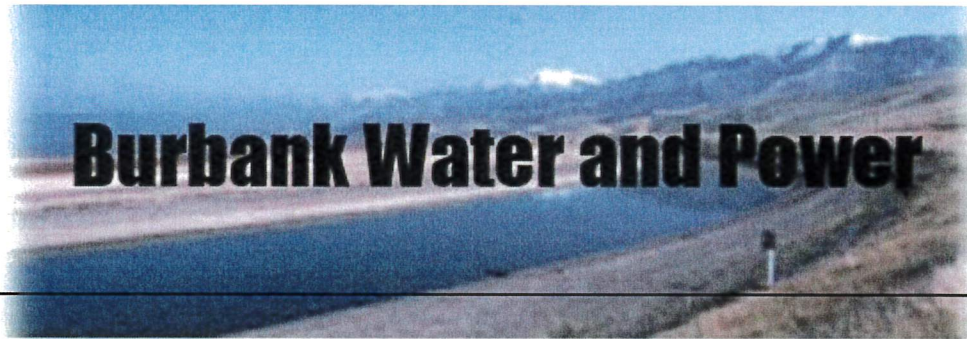
BWP is planning for its next Integrated Resource Plan (IRP) which, pursuant to new requirements embedded in Senate Bill 350, is due January 1, 2019. As part of these efforts, BWP staff has (via a competitive Request for Proposal) chosen Ascend Analytics to be its modeling and consulting provider and is currently in the process of establishing a Professional Services Agreement with the company.

Intermountain Power Project (Delta, UT) Renewal Progress

Intermountain Power Agency and Intermountain Power Project (IPP) participants (including BWP) are currently implementing the Gas Repowering and renewal of associated transmission rights pursuant to the Enabling Agreements. In this connection, BWP (and each of the other participants) recently executed the last of those renewal contracts, the Renewal Power Sales Agreement, in connection with a subscription process for participation shares in the Gas Repowering. While the actual size and configuration of the new facility or facilities have not yet been determined, BWP's participation share of the Gas Repowering is currently 50 MW of generation and 127 MW on the Southern Transmission System (STS).

If BWP does elect to take the Off-Ramp (and thus decline to participate in Gas Repowering generation), BWP and the other non-LADWP California Purchasers have a non-binding Memorandum of Understanding with LADWP pursuant to which each non-LADWP California Purchaser can maintain 50% of its current STS and Northern Transmission System (NTS) rights post-2027. Those STS and NTS renewal contracts are currently being negotiated.

At the same time, LADWP and the non-LADWP California Purchasers are working to renew each non-LADWP California Purchaser's IPP-linked transmission agreement from the southern terminus of the STS at Adelanto to that non-LADWP California Purchaser's service territory, pursuant to each non-LADWP California Purchaser's Adelanto-service territory transmission capacity. In the meantime, BWP's 2019 IRP, currently in the planning stages, will continue to refine BWP's planning for participation in any replacement of Intermountain capacity.



**Estimated Financial Report
January 2018**

UNAUDITED

Electric Fund (496)

A-1

**Burbank Water and Power
Electric Fund (496)**

**Estimated Statement of Changes in Net Assets ⁽¹⁾
MTD and FYTD January 2018**

(\$ In 000's)

MTD FY 17-18	MTD Jan-18 Budget	\$ Variance ⁽²⁾	% Variance	FYTD FY 17-18	FYTD Jan-18 Budget	\$ Variance ⁽²⁾	% Variance
\$ 742	\$ 1,258	\$ (517)	(41%)	\$ 26,073	\$ 16,167	\$ 9,906	61%
94	94	-	0%	969	655	315	48% ^(I)
90	90	-	0%	817	627	190	30% ^(J)
(377)	(377)	-	0%	(2,637)	(2,637)	-	0%
(194)	(194)	-	0%	(851)	(1,356)	505	37%
548	1,065	(517)	(49%)	25,223	14,811	10,411	70%
647	693	46	7%	5,591	5,546	(45)	(1%)
186	199	13	7%	1,607	1,594	(13)	(1%)
833	892	59	7%	7,198	7,140	(58)	(1%)
(285)	173	(458)	(265%)	18,025	7,671	10,354	135%
647	647	-	0%	736	4,529	(3,793)	(84%) ^(K)
\$ 362	\$ 820	\$ (458)	(56%)	\$ 18,761	\$ 12,200	\$ 6,561	54%
Operating Income/(Loss)				Operating Income/(Loss)			
Other Income/(Expenses)				Other Income/(Expenses)			
Interest Income				Interest Income			
Other Income/(Expense) ⁽⁴⁾				Other Income/(Expense) ⁽⁴⁾			
Bond Interest/ (Expense)				Bond Interest/ (Expense)			
Total Other Income/(Expenses)				Total Other Income/(Expenses)			
Income before Contributions & Transfers				Income before Contributions & Transfers			
In Lieu				In Lieu			
Street Lighting				Street Lighting			
Total Contributions & Transfers				Total Contributions & Transfers			
Net Income				Net Income			
Capital Contributions (AIC)				Capital Contributions (AIC)			
Net Change in Net Assets (Net Income)				Net Change in Net Assets (Net Income)			

1. This report may not foot due to rounding.

2. () = Unfavorable

3. Other Revenues include transmission, telecom and internet revenues as well as other items such as damaged property recovery, connection fees, late fees, and tampering fees.

4. Other Income/(Expense) includes miscellaneous revenue from the sale of scrap materials, inventory, and assets, as well as BABS subsidy.

Burbank Water and Power
Electric Fund (496)
Estimated Statement of Changes in Net Assets - Footnotes
MTD January 2018
(\$ in 000's)

Foot-note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
a.	Electric Usage in MWh	84,560	90,925	(6,365)	- NEL is 7% lower than budget due to conservation. MTD HDD were 113 versus the 30 year average of 283.
b.	Retail Sales	12,804	13,862	(1,058)	- Retail revenues correspond with the demand.
c.	Other Revenues	587	587	-	- Other revenues have not closed for January 2018 and are estimated at budgeted values.
d.	Retail Power Supply & Transmission	8,287	8,675	388	- The favorable variance is attributable to various components within Retail Power Supply & Transmission. Please refer to page A-6 for additional details.
e.	Total Operating Expenses	4,579	4,579	-	- Expenses have not closed for January 2018 and are estimated at budgeted values.

**Burbank Water and Power
Electric Fund (496)
Estimated Statement of Changes in Net Assets - Footnotes
FYTD January 2018
(\$ in 000's)**

Foot-note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
A.	Electric Usage in MWh	695,902	699,960	(4,058)	- NEL is 1% lower than budget due to conservation, offset by warmer than normal summer temperatures. FYTD CDD were 1,225 versus the 30 year average of 1,066.
B.	Retail Sales	111,703	110,919	784	- Retail revenues correspond with the demand.
C.	Other Revenues	3,473	4,109	(636)	- Other revenues include items such as damaged property recovery, connection fees, late fees, and tampering fees which tend to fluctuate.
D.	Retail Power Supply & Transmission	59,707	67,345	7,638	- The favorable variance is attributable to various components within Retail Power Supply & Transmission. Please refer to page A-7 for additional details.
E.	Distribution	5,957	7,168	1,211	- The favorable variance is primarily attributable to salary savings due to vacant positions, receiving credit for higher than planned O&M work performed for other departments, and timing of expenditures for private contractual services.
F.	Finance, Fleet, & Warehouse	1,479	1,879	400	- The favorable variance is primarily attributable to salary savings due to vacant positions (within Fleet and Warehouse), and timing of expenditures for auto equipment maintenance & repair.
G.	Telecom	627	787	160	- The favorable variance is primarily attributable to timing of expenditures for private contractual services, and professional services.
H.	Construction & Maintenance	1,145	992	(153)	- The unfavorable variance is primarily attributable to the timing of expenditures for private contractual services, building grounds maintenance & repair, and higher than planned O&M work performed.
I.	Interest Income	969	655	315	- The favorable variance is attributable primarily to higher cash on hand than planned and higher actual return.
J.	Other Income / (Expense)	817	627	190	- The favorable variance is primarily attributable to higher than planned miscellaneous revenue from the sale of scrap materials and obsolete inventory and assets.
K.	Capital Contributions (AIC)	736	4,529	(3,793)	- The unfavorable variance is primarily attributable to the planned Avion Burbank Development revenues being deferred, and Caltrans' delays related to the Burbank Bridge Replacement.

**Burbank Water and Power
Electric Fund (496)
Estimated Statement of Cash Balances ^(a)
(\$ in 000's)**

	Jan-18	Dec-17	Nov-17	Oct-17	Sep-17	Jun-17	Jun-16	Recommended Reserves	Minimum Reserves
Cash and Investments									
General Operating Reserve	\$ 87,489	\$ 84,114	\$ 82,908	\$ 82,849	\$ 77,668	\$ 70,626	\$ 58,277	\$ 52,010	\$ 37,570
Capital & Debt Reduction Fund	10,000	10,000	10,000	10,000	10,000	10,000	10,000	21,000	5,200
BWP Projects Reserve Deposits at SCPPA	15,882	15,879	15,874	15,853	15,833	15,787	15,482		
Sub-Total Cash and Investments	<u>113,371</u>	<u>109,994</u>	<u>108,782</u>	<u>108,702</u>	<u>103,500</u>	<u>96,412</u>	<u>83,759</u>	<u>73,010</u>	<u>42,770</u>
Capital Commitments	(12,097) ^(b)	(14,072)	(14,346)	(15,773)	(16,221)	(16,450)	(17,000)		
Customer Deposits	(8,588) ^(c)	(8,573)	(8,578)	(8,547)	(8,425)	(4,885)	(3,186)		
Public Benefits Obligation	(5,705)	(5,705)	(5,723)	(5,433)	(5,270)	(4,520)	(4,721)		
Biogas Commitment	-	-	-	-	-	-	(7,751)		
Pacific Northwest DC Inter tie	(7,959)	(8,646)	(8,646)	(8,646)	(8,765)	(9,569)	-		
Cash and Investments (less Commitments)	<u>79,022</u>	<u>72,997</u>	<u>71,489</u>	<u>70,303</u>	<u>64,819</u>	<u>60,988</u>	<u>51,101</u>	<u>73,010</u>	<u>42,770</u>

^(a) The Statement of Cash Balances may not add up due to rounding.

^(b) Denotes capital commitment for multiple projects for Station Capacitor Bank Upgrade at Victory, San Jose Station Capacity Upgrade, Ontario Distribution Station and 4kV to 12kV conversion of circuit.

^(c) Included in the balance is a customer deposit received in May 2017 and July 2017 for \$2.7M and \$3.7M respectively for the Ontario Substation (Avion Burbank Development).

Estimated January 2018 Budget to Actual P&L Variance Highlights - Electric Fund

(in 000's)

Variance Month-to-Date		
Favorable Items	Unfavorable Items	Budget to Actual Variance
	\$ (458)	\$ (458)

MTD NET INCOME/(LOSS): \$(285)

MTD GROSS MARGIN VARIANCE

Retail Sales		(1,058)	(1,058)
Power Supply and Transmission			-
- Prior period true-up credit	969		969
- Lower usage of biomethane gas than planned and savings from biomethane restructuring	286		286
- Lower retail load	138		138
- Higher than planned transmission expenses		(683)	(683)
- Increased rates for Balancing Authority Area Services		(192)	(192)
- Received more renewable energy than planned		(130)	(130)
Wholesale Margin	153		153
Total	1,546	(2,063)	(517)

MTD EXPENSE AND OTHER VARIANCES

In lieu and Street lighting	59		59
Total	59	-	59

Estimated January 2018 Budget to Actual P&L Variance Highlights - Electric Fund

(in 000's)

	Variance Fiscal Year-to-Date		
	Favorable Items	Unfavorable Items	Budget to Actual Variance
<u>FYTD NET INCOME - \$18,025</u>	10,354		10,354
<u>FYTD GROSS MARGIN VARIANCE</u>			
Retail Sales	784		784
Power Supply and Transmission			-
- Prior period true-up credit	4,852		4,852
- Lower usage of biomethane gas than planned and savings from biomethane restructuring	2,105		2,105
- Lower than planned O&M expenses	1,170		1,170
- Higher IPP true up credits than planned	405		405
- Receiving less renewable energy than planned	160		160
- Prior period adjustment credit	78		78
- Higher than planned transmission expenses		(907)	(907)
- Increased rates for Balancing Authority Area Services		(192)	(192)
- Other		(33)	(33)
Wholesale Margin	339		339
Other Revenues		(636)	(636)
Total	9,893	(1,768)	8,125
<u>FYTD EXPENSE AND OTHER VARIANCES</u>			
Distribution	1,211		1,211
Finance, Fleet, & Warehouse	400		400
Telecom	160		160
Construction & Maintenance		(153)	(153)
In lieu and street lighting		(58)	(58)
Depreciation expense	669		669
All other			-
Total	2,440	(211)	2,229

**Burbank Water and Power
Water Fund (497)**

**Estimated Statement of Changes in Net Assets ⁽¹⁾
MTD and FYTD January 2018
(\$ in 000's except Gallons)**

MTD FY 17-18	MTD Jan-18 Budget	\$ Variance ⁽²⁾	% Variance		FYTD FY 17-18	FYTD Jan-18 Budget	\$ Variance ⁽²⁾	% Variance
396	342	54	16% ^(a)	Water put into the system in Millions of Gallons	3,227	3,049	178	6% ^(A)
57	57	-	0%	Metered Recycled Water in Millions of Gallons	688	662	25	4% ^(B)
Operating Revenues								
\$ 1,798	\$ 1,739	\$ 59	3% ^(b)	Potable Water	\$ 16,430	\$ 16,137	\$ 294	2% ^(C)
211	216	(5)	(2%)	Recycled Water	2,542	2,516	25	1%
54	49	5	10%	Other Revenue ⁽³⁾	339	345	(6)	(2%)
2,063	2,004	59	3%	Total Operating Revenues	19,311	18,998	313	2%
852	811	(41)	(5%) ^(c)	Water Supply Expense	7,237	6,873	(364)	(5%)
1,211	1,193	18	2%	Gross Margin	12,074	12,125	(51)	(0%)
Operating Expenses								
589	589	-	0%	Operations & Maintenance - Potable	3,493	4,224	731	17% ^(D)
123	123	-	0%	Operations & Maintenance - Recycled	989	801	(188)	(23%) ^(E)
192	192	-	0%	Allocated O&M	1,151	1,403	252	18% ^(F)
146	146	-	0%	Transfer to General Fund for Cost Allocation	1,017	1,021	4	0%
335	335	-	0%	Depreciation	2,166	2,343	178	8%
1,385	1,385	-	0% ^(d)	Total Operating Expenses	8,816	9,793	977	10%
Other Income/(Expenses)								
12	12	-	0%	Interest Income	116	84	33	39% ^(G)
47	47	-	0%	Other Income/(Expense) ⁽⁴⁾	250	326	(77)	(23%) ^(H)
(163)	(163)	-	0%	Bond Interest/(Expense)	(1,142)	(1,142)	0	0%
(105)	(105)	-	0%	Total Other Income/(Expenses)	(776)	(733)	(43)	(6%)
(278)	(296)	18	6%	Net Income/(Loss)	2,482	1,600	882	55%
31	31	-	0%	Aid in Construction	171	218	(47)	(21%) ^(I)
\$ (247)	\$ (265)	\$ 18	7%	Net Change in Net Assets (Net Income)	\$ 2,653	\$ 1,818	\$ 836	46%

1. This report may not foot due to rounding.

2. () = Unfavorable

3. Other Revenue includes items such as damaged property recovery, connection fees, late fees, and tampering fees.

4. Other Income/(Expense) includes miscellaneous revenue from the sale of scrap materials, inventory, and assets.

Burbank Water and Power
Water Fund (497)
Estimated Statement of Changes in Net Assets - Footnotes
MTD January 2018
(\$ in 000's except Gallons)

Foot- note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
a.	Potable Water Usage in Millions of Gallons	396	342	54	- Potable water sales are higher than planned primarily because of higher than planned demand for landscaping irrigation, due to warmer than normal temperatures and lower than average rainfall in the month of January 2018. Burbank received 2.33 inches of rainfall as compared to the average precipitation of 3.53 inches in January. MTD HDD were 113 versus the 30 year average of 283.
b.	Potable Water Revenue	1,798	1,739	59	- The WCAC impact decreased potable water revenues by \$69k MTD. Without this adjustment, potable water revenues would be favorable by 7%.
					MTD Actual
					<u>\$ 921</u>
					852
					<u>\$ 69</u>
					WCAC revenue deferral (decreased revenues)
c.	Water Supply Expense	852	811	(41)	- Water supply expense corresponds with higher demand.
d.	Total Operating Expenses	1,385	1,385	-	- Expenses, other than water supply expense, have not closed for January 2018 and are estimated at budgeted values.

**Burbank Water and Power
Water Fund (497)
Estimated Statement of Changes in Net Assets - Footnotes
FYTD January 2018
(\$ in 000's except Gallons)**

Foot-note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
A.	Water put into the system in Millions of Gallons	3,227	3,049	178	- FYTD Potable water sales are higher than planned due to warmer than normal temperatures and lower than normal rainfall in the current fiscal year. FYTD CDD were 1,225 versus the 30 year average of 1,066. FYTD Burbank received 2.46 inches of rainfall as compared to average precipitation of 8.29 inches.
B.	Recycled Water Usage in Millions of Gallons	688	662	25	- FYTD Recycled water sales are higher than planned due to warmer than normal temperatures and lower than normal rainfall in the current fiscal year. FYTD CDD were 1,225 versus the 30 year average of 1,066. FYTD Burbank received 2.46 inches of rainfall as compared to average precipitation of 8.29 inches.
C.	Potable Water Revenue	16,430	16,137	294	FYTD Potable Water Revenue corresponds with the demand.
D.	Operations & Maintenance - Potable	3,493	4,224	731	- The favorable variance is attributable to lower than planned spending on professional services, special departmental supplies and street & pavement repair, private contractual services as well as salary savings due to vacant positions.
E.	Operations & Maintenance - Recycled	989	801	(188)	- The unfavorable variance is attributable to higher than planned O&M work performed, and higher than planned electricity used for water pumping.
F.	Allocated O&M	1,151	1,403	252	- The favorable variance is attributable to lower than planned allocated expenses (primarily Finance, Fleet & Warehouse and Customer Service and Marketing) from the Electric Fund.
G.	Interest Income	116	84	33	The favorable variance is attributable primarily to higher cash on hand than planned and higher actual return.
H.	Other Income/Expense	250	326	(77)	The unfavorable variance is primarily attributable to the timing of miscellaneous income.
I.	Aid in Construction	171	218	(47)	- The unfavorable variance is primarily attributable to the timing of AIC projects.

**Burbank Water and Power
Water Fund (497)
Estimated Statement of Cash Balances ^(a)
(\$ in 000's)**

	Jan-18	Dec-17	Nov-17	Oct-17	Sep-17	Jun-17	Jun-16	Recommended Reserves	Minimum Reserves
Cash and Investments									
General Operating Reserves	\$ 10,918	\$ 11,791	\$ 14,060	\$ 12,408	\$ 10,842	\$ 9,851	\$ 9,547	\$ 12,630	\$ 8,070
Capital Reserve Fund	2,220	2,220	2,220	2,220	2,220	2,220	2,220	5,200	1,300
Sub-Total Cash and Investments	<u>13,138</u>	<u>14,011</u>	<u>16,280</u>	<u>14,628</u>	<u>13,062</u>	<u>12,071</u>	<u>11,767</u>	<u>17,830</u>	<u>9,370</u>
Customer Deposits	(929)	(968)	(967)	(886)	(857)	(788)	(1,764)		
Capital Commitments	(186) ^(b)	(186)	(227)	(227)	(227)	(227)	(553)		
Water Purchase Commitments	(1,198) ^(c)	(2,743)	(3,597)	(2,052)	-	-	-		
Cash and Investments (less commitments)	<u>10,825</u>	<u>10,114</u>	<u>11,488</u>	<u>11,463</u>	<u>11,978</u>	<u>11,055</u>	<u>9,450</u>	<u>17,830</u>	<u>9,370</u>

^(a) The Statement of Cash Balances may not add up due to rounding.

^(b) Capital commitment for the recycled water I-5 Freeway second tie crossing project.

^(c) 7200 Acre Feet of Untreated Water was purchased from the Metropolitan Water District, with payments to be made in December 2017 through February 2018.

Estimated January 2018 Budget to Actual P&L Variance Highlights - Water Fund
(in 000's)

	Variance Month-to-Date		Budget to Actual Variance
	Favorable Items	Unfavorable Items	
<u>MTD NET INCOME (LOSS): (\$277)</u>	18		18
<u>MTD GROSS MARGIN VARIANCE</u>			
Potable Revenues	59		59
Recycled Revenues		(5)	(5)
Other Revenue	5		5
Water Supply Expense		(41)	(41)
Total	<u>64</u>	<u>(46)</u>	<u>18</u>

Estimated January 2018 Budget to Actual P&L Variance Highlights - Water Fund
(in 000's)

	Variance Fiscal Year-to-Date		Budget to Actual Variance
	Favorable Items	Unfavorable Items	
<u>FYTD NET INCOME: \$2,482</u>	882		882
<u>FYTD GROSS MARGIN VARIANCE</u>			
Potable Revenues	294		294
Recycled Revenues	25		25
Other Revenue		(6)	(6)
Water Supply Expense		(364)	(364)
Total	<u>319</u>	<u>(370)</u>	<u>(51)</u>
<u>FYTD O&M AND OTHER VARIANCES</u>			
Potable Water O&M	731		731
Recycled Water O&M		(188)	(188)
Allocated O&M	252		252
All Other	138		138
Total	<u>1,121</u>	<u>(188)</u>	<u>933</u>

Important Updates for the Burbank City Council

March 2, 2018

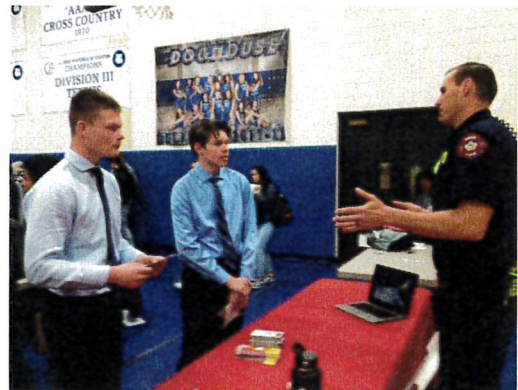
St. Robert Bellarmine Pays a Visit to Burbank Police



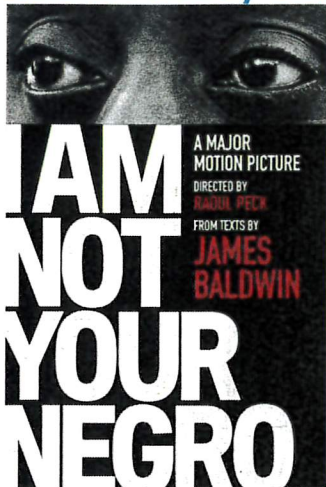
Students from St. Robert Bellarmine Catholic Elementary School recently took a field trip to the Burbank Police Department to show their appreciation for law enforcement and Burbank's very own Police Department. This is an annual tradition when students walk from the school to the police station and present officers with signs decorated with thank you, motivational, and inspirational messages. Following their visit to BPD, the students visited the Burbank Fire Department.

Career Technical Education Day a Success

In February, Fire Engineer Eric Rowley and Scott Trowbridge attended Career Technical Education Day at John Burroughs High School and Burbank High School, respectively. At the event, the Engineers spoke with students about the rewarding career of a Burbank Firefighter. Burbank Fire Department is excited to talk to even more interested individuals at the upcoming Veterans Job Fair.



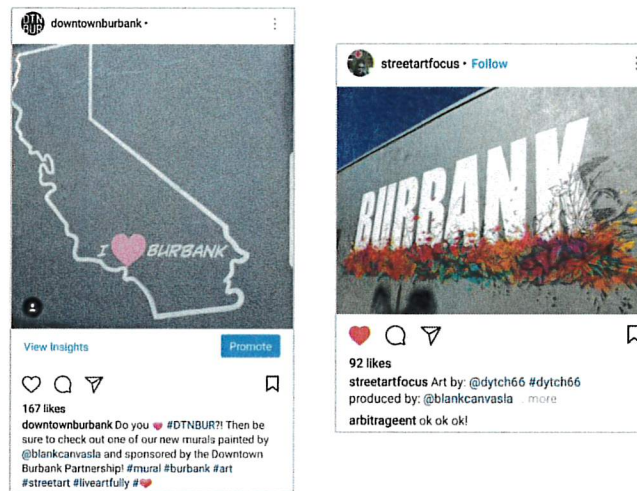
Black History Program at the Library



The Burbank Public Library recognized Black History Month on Thursday, February 15, with a screening of a documentary about writer James Baldwin, followed by guided discussion led by USC's Brooklyne Gipson. About 70 people, primarily teens, viewed *I Am Not Your Negro*, a new documentary that observes the United States through the lens of Baldwin's words and work. The documentary provided a historical perspective on issues still central to American society – race, rights, access, and individual and collective responsibility when confronting complex topics and fraught history. Gipson, an instructor at the USC Annenberg School of Communication and Journalism, led an engaged crowd in a discussion and debate of these subjects, as part of the Library's efforts to create opportunities for people to come together for thoughtful, nuanced and informed conversation.

Downtown Burbank Partnership Art and Mural Program

To create social buzz, provide photo opportunities, and engage millennial shoppers, the Downtown Burbank Partnership (Partnership) has initiated a series of visually enticing murals throughout the district. Each mural features the hashtag #DTNBUR, encouraging visitors to 'post' and 'tag' their photos on Downtown Burbank Social Media assets. A total of five murals have already been installed, with more planned in 2018. Additional paseo improvements will also be completed this year, including overhead café string lighting and new light fixtures. These improvements are part of a larger capital improvements program funded by the Partnership to enhance Downtown Burbank and attract new visitors to the area. Since 2003, the Partnership has invested more than 10 million back into Downtown Burbank on maintenance, capital improvements, events, marketing and advocacy. More information on the Partnership and its accomplishments is available on DTNBUR.com



Fixit Clinic at the Burbank Recycle Center



Learn the lost art of "Repair" at the Fixit Clinic this Earth Day on Sunday, April 22, at the Burbank Recycle Center! Many of the items dropped off at the Recycle Center or left on the curb for bulky pick up can be fixed rather than disposed of. At this clinic, attendees will work with volunteer "tinkerers" to help them diagnose, fix, mend, and generally repair useful items. These skills will help newly converted tinkerers repair other non-working items they have and not trash them. At the first Fixit Clinic in December, 13 people left with repaired items and others learned how to diagnose their items to repair at home!